

BROMSGROVE DISTRICT COUNCIL

CABINET

DATE 7th April 2010

RECOMMISSIONING OF HOME IMPROVEMENT AGENCY SERVICES

Responsible Portfolio Holder	Cllr P. J. Whittaker
Responsible Head of Service	Head of Community Services
Key Decision	

1. SUMMARY

- 1.1 In April 2009 the Executive Cabinet approved the participation in the joint recommissioning of a new countywide Home Improvement Agency (HIA) and authorised the Portfolio Holder for Strategic Housing in consultation with the Head of Planning & Environment to finalise the necessary contractual arrangements for the commencement of the new service on the basis of the revenue and capital contributions that are committed to the existing service arrangements with the North Worcestershire Care & Repair Agency. The Executive Cabinet also approved the implementation of a Worcestershire Kick Start Scheme equity release scheme.
- 1.2 This report provides members with an update upon the progress of recommissioning the HIA service and the development of a new Kick Start Equity Release Scheme service.
- 1.3 To provide consistency for customers and to facilitate the implementation of the new Countywide HIA, it has been necessary for the six Districts to work together to achieve uniformity in the way that discretionary Home Repair Assistance grants are made available. Accordingly this report asks Members to approve changes to this Council's Housing Assistance Policy set out at Appendix 1.

2. RECOMMENDATION

- 2.1 **That Members note the progress and arrangements being made for the re-commissioning of a Worcestershire Home Improvement Agency and Kick Start Equity Release Scheme.**
- 2.2 **That the revised Housing Assistance Policy set out at Appendix 1 of the report be approved.**

3. BACKGROUND

3.1 National Context

As outlined in my previous report to Executive Cabinet of the 29th April 2009, central to the Government's framework for delivery of older people's services are the roles of Home Improvement Agencies. This was clearly outlined in the Government strategy "**Lifetime Homes, Lifetime Neighbourhoods – National Strategy for Housing in an Ageing Society**"

This national strategy (published in February 2008) is particularly relevant to the question of Home Improvement Agencies and other statutory services such as the provision of adaptations to the homes of disabled people. It sets out a comprehensive strategic approach to older persons housing and contains key proposals to strengthen local housing advice, simplify the system of delivering Disabled Facilities Grants, encourage the use of equity release for home improvement and the expansion of handyperson services.

A further report "The Future Home Improvement Agency: Supporting choice and maintaining independence" outlined the importance of HIAs in delivering advice services, supporting people to remain in their own home and their preventative role in terms of ill health.

3.2 The Current position in Worcestershire - There has been a longstanding intention to ultimately bring together the two existing HIAs that have been operating in the county, namely the North Worcestershire HIA covering Redditch, Bromsgrove and Wyre Forest and Festival Housing Group operating the South Worcestershire HIA covering Wychavon, Worcester City and more recently Malvern Hills.

3.3 In April 2009 the Executive Cabinet approved participation in the joint recommissioning of a new Countywide Home Improvement Agency (HIA) for Worcestershire and authorised the Portfolio Holder for Strategic Housing in consultation with the Head of Planning & Environment to finalise the necessary contractual arrangements for the commencement of the new service on the basis of the level of revenue and capital contributions that are currently committed to the existing service arrangements with the North Worcestershire Care & Repair Agency.

3.4 The Executive Cabinet also approved the implementation of a Worcestershire Kick Start Equity Release Scheme to provide an alternative option for home owners to fund necessary home repair and improvements to supplement the declining capital funding that is available to provide local authority Discretionary Grants.

4.0 PROGRESS IN RECOMMISSIONING THE NEW COUNTYWIDE HOME IMPROVEMENT AGENCY.

- 4.1 The Worcestershire Chief Executives Panel endorsed the unification of the two HIAs back in September 2008 with a view to delivering a more comprehensive and consistent service across the whole county and to give the District Councils the opportunity to deliver much improved housing-related services to growing numbers of older people.
- 4.2 Following this, a Project Management Group, consisting of officers from the District Councils, Worcestershire County Council, Supporting People, the PCT and Foundations (the Government's co-ordinating agency for HIAs) was set up to oversee the review. Additional project management was provided by Foundations, through grant funding provided by Worcestershire County Council and this service has provided technical expertise and useful examples of service delivery in other parts of the country.
- 4.3 In addition, an officer sub group was established to review each District's current Housing Assistance Policies (HAP) and to develop a countywide HAP that covered the majority of services on offer including disabled facilities grants, home improvement grants and loans, with the aim of achieving consistency of service across the County for customers.
- 4.4 The Project Management Group has mapped the existing provision within the county, identified best practice examples and outcomes being met and also identified potential organisations to tender for this piece of work. From this work Worcestershire County Supporting People, the project lead, believed that a full tender exercise would not deliver the best outcomes in terms of a service model for Worcestershire and considered that direct negotiations with an existing service provider, Festival Housing Group, was the appropriate way forward because:
 - a) A consortium was already established providing the majority of the related provision within Worcestershire; the consortium is made up of Festival Housing, Evesham and Pershore Housing Association, Worcester Community Housing, Wyre Forest Community Housing. Supporting People currently contracted with Festival Housing and had no concerns over their ability to manage the Home Improvement Agency under the consortium umbrella.
 - b) The consortium would be strong contenders in a tender due to their available capacity, the quality of the current provision and the opportunity to have improved value for money within this arrangement.
 - c) The market place in terms of appropriate and suitable providers is limited; in regards to the providers who could have tendered for this contract (other than Festival) there were concerns over capacity to deliver in addition to a requirement to provide longer implementation phases within the contract due to the work

involved to establish networks and working arrangements (which have mostly been adopted by the Consortium already).

- d) It was also felt that greater benefits and outcomes could be delivered from the Consortium contract and the Project Management Group would be able to negotiate greater value for money than through a tender exercise with a new provision. Many of the staff within the existing HIAs worked with members from within the consortium, making the transition to the new organisation likely to be more acceptable and seamless for those officers with TUPE rights. This in turn would benefit service users who wouldn't, in the majority of cases, even experience a change of personnel dealing with their case in the transition period and they would therefore experience some continuity in case management.

- 4.5 The development of the Consortium and the intent to bring services together in a more strategic manner was endorsed by Officers within the CLG, and also acknowledged by Officers of the Worcestershire Partnership as an effective partnership arrangement which may increase the opportunity to access additional funding / utilise existing funding more effectively and subsequently achieve greater value for money and improved service provision for service users.
- 4.6 The decision to proceed with a direct negotiation with Festival Housing Group was discussed by the Chief Executives Panel on 11th September 2009 and agreement reached that this approach could proceed.
- 4.7 Discussion has taken place with a representative from the County Procurement Officers Group and they will continue to support the process and take all steps to ensure compliance with procurement rules before entering into necessary and contractual arrangements.
- 4.8 The current NW Care and Repair Agency service provided by Redditch Borough Council implements for BDC, approximately £400k of Disabled Facilities Grants and Home Repair Assistance Grants to the occupiers in the Private Sector with one member of the Council's Strategic Housing Team (who will TUPE into the new organisation) providing DFGs directly to BDHT's social housing tenants. The new Countywide HIA will provide all the grants currently available irrespective of tenure.

5.0 SERVICES TO BE DELIVERED BY THE NEW HIA

- 5.1 The new Home Improvement Agency (HIA) service will be a tenure neutral service with the specific aim: *"...to provide an integrated housing support service, by providing a single point of contact and a seamless co-ordination of services to enable vulnerable people to exercise their choice about their home environment"*.

5.2 Each of the four service elements – Support for Choice, Repairs and Improvements, Major Adaptations and Connecting with Health is being fully described in a Service Specification.

5.3 The County Council Adult & Community Services let a handy person contract last year. It has therefore been agreed to amend this existing contract to include all tenures and ages and with a wider menu of handy person services than are currently on offer. Therefore, the provision of a handyperson service will not be part of the HIA development proposals at this time but signposting and referral mechanisms will be put in place.

5.4 Specification

5.5 The new county service will be available to all recipients of Disabled Facilities Grants and Home Repair Assistance Grants (these are the rebrand of local authority discretionary grants for the private sector). For the first time there will be a countywide policy and procedures for these grants with the emphasis on ensuring a housing options appraisal with clients is completed before proceeding with an adaptation.

5.6 Included within the new service specification are:

General advice - Initial visit and Casework assessment for:

- housing options including under occupation;
- house condition;
- energy efficiency;
- home safety;
- home security;
- financial information;
- Kick start – equity release for private owners;
- Liaison, referral and assistance to other services for example Telecare and other support services.
- A technical service which gives appropriate support to Clients to enable them to repair, improve, maintain or adapt their homes and to secure any appropriate grants/contributions to which they may be entitled.

5.7 Ongoing development of the service will target:

- Common IT systems
- Electronic Data Transfer of files
- CBL Vulnerable Workers
- Reduced reliance on fee income
- Further development of the Housing OT service

- 5.8 Staffing - A new staffing structure has been developed bringing the two existing services together under one Agency Manager. It is anticipated there will no requirement to make any redundancies and all transferring staff colleagues will be able to maintain their existing terms and conditions or transfer to Festival Housing Group.
- 5.9 The new HIA will employ 22 staff to deliver core services. It is anticipated this will increase to 26 full time equivalents to support the new funding streams. The new staff will be employed on fixed term contracts and this will enable workloads to be assessed once the new agency is operating.
- 5.10 Location - Office Accommodation - In the short to medium term services will stay decentralised across the Districts but joined together by technology. A new central phone number for services will be created which allows the joining up of several locations and ease and consistency for customer access.
- 5.11 Funding - The local authority partners have agreed to maintain their existing funding arrangements allowing the new agency to charge a uniform 10% fee.
- 5.12 In addition, three new funding streams have been identified to meet specific objectives.
- i) The first is two year funding for a project to provide Housing Options Advice and information to older people as part of a national exemplar programme;
 - ii) The second to support the creation of two hospital discharge workers who will look at housing advice for all patients and particularly those who are homeless and unable to return home;
 - iii) and finally the County is in the process of being approved to become a Kick Start Equity Release partner and this service will be delivered through the new Agency.
- 5.13 The first year's budget for the HIA is being carefully set relying on grant generated income with revenue from private clients estimated only to be very small. However, this in the longer term a vision to help sustain the service through private contributions.
- 5.14 The proposed start date for the service, subject to agreement being reached by all parties, is 1 April 2010 and the financial estimates have been prepared on this basis. The contract will expire on 31 March 2013 unless one of the parties gives six months' notice of termination, or an extension to the contract is agreed.
- 5.15 Governance - The new agency will remain a division of Spa Housing Association part of Festival Housing Group. The new HIA will also report to a Performance Management Board made up of the local authority and PCT stakeholders including registered provider

consortium partners: The Community Housing Group, Worcester Community Housing and Rooftop Housing Group. This body will provide a valuable forum for sharing ideas, communicating with stakeholders, reviewing policy and procedure and engaging with service users. At the end of each quarter a full management report will be published and provided to members and the stakeholders who fund the HIA.

6.0 INTRODUCTION OF KICK START EQUITY RELEASE SERVICE

- 6.1 During the process of establishing the HIA a Kickstart Sub-Group chaired by The Strategic Housing Manager formulated and submitted the Worcestershire bid / proposal (Local Delivery Plan) to the West Midlands Kickstart Partnership Board.
- 6.2 Kickstart is a regionally funded scheme that provides an additional or alternative form of assistance to help home owners improve and renovate their dwellings through subsidised equity release loan facilities. The funding for this scheme is held centrally by Birmingham City Council and administered by them on behalf of the partnership.
- 6.3 The Local Delivery Plan (LDP) outlines the mechanisms for delivery of the Kickstart programme, the timescales and the required level of funding. The Strategic Housing Manager and Festival's HIA Manager presented the LDP to a Regional Peer Assessment Panel in January and we currently await approval of our bid for £360,000 capital grant to fund loans and £90,000 revenue support for the HIA's involvement in delivering the service.
- 6.4 The Kickstart scheme will introduce a mix of equity and non-equity loans for those people needing to undertake home improvements to their property. The equity products are secured against equity in a person's home. The Partnership envisages that based upon the projected available funding, the service will be able to provide up to 30 Non Equity (such as unsecured loans) and 36 Equity Loans in Year 1 building up to 48 Equity Loans and 50 Non Equity loans by year over the three year programme.

7.0 COUNCIL GRANT FUNDED WORKS THAT WILL BE DELIVERED THROUGH THE HIA.

- 7.1 Disabled Facilities Grants (partly funded from Government Grant and topped up by local authority capital grant) will continue to be delivered in the same way as at present but with all staff currently involved in the case work and project management coming together under the HIA. Grant administration, monitoring and approval will remain the responsibility of the Council's Private Sector Housing teams.
- 7.2 The Kickstart Equity Release Scheme set out above is a new additional option for customers to consider that will supplement (and possibly in

time ultimately replace) the diminishing availability of local authority capital grant to fund discretionary Home Repair Assistance Grants.

- 7.3 All districts have agreed that whilst local authority capital funding remains available, the councils, through the HIA, will continue to offer Home Repair Assistance Grants up to a maximum of £5,000 for Decent Homes work to vulnerable households not eligible for Kickstart loans for example due to a lack of equity in their property or for particularly vulnerable clients for whom the equity release approach would be unreasonable.
- 7.4 As stated earlier in this report all six district councils have worked together to achieve maximum consistency for customers in the discretionary grants that are to be provided through the new HIA.
- 7.5 Agreement has been reached that one standard Home Repair Assistance Grant will be provided (availability being subject to each local authority's budget). This grant will be available up to a maximum of £5,000 to address repair works relating to Category 1 Hazards as defined in the Housing and Health Safety Rating System (HHSRS). Eligibility will be limited to persons in receipt of means tested benefits. A 'Claw Back' condition will mean that the original amount of the grant will be recovered when the applicant dies or their property is sold. This will be secured by a Local Land Charge for works under £500 and through Land Registration for works above £500.
- 7.6 A revised Private Sector Assistance Policy is attached at Appendix 1 of this report for approval. This policy remains unchanged from when it was originally approved by the Executive Cabinet on the 13th October 2004 with the exception of the following alterations:
- Deletion of the Housing Renovation Grant of up to £10,000.
 - Alteration to the 'Claw Back' condition relating Home Repair Assistance Grant making it no longer time limited to only being recoverable within 10 years, but no longer index linked.
 - Inclusion of Kick Start as an option for customers to consider.
- 7.7 To achieve maximum consistency with other authorities across Worcestershire, Members are therefore asked to approve the revised Private Sector Assistance Policy set out at Appendix 1.

8.0 FINANCIAL IMPLICATIONS

- 8.1 The Council will continue to contribute the overall current level of funding that it provides to the North Worcestershire Care & Repair Service under the existing service level agreement with Redditch BC.
- 8.2 A key objective of the new organisation will be to attract additional funding as the enhanced services offered will meet key outcomes for

partner agencies and the agency can begin to offer similar services to non-eligible households for a charge.

- 8.3 The delivery of the Kickstart loans and the cost of scheme management and supervision within the proposed new HIA will be funded (in region of £440kpa) from the ring fenced regional funding that is allocated to the districts for the purposes of promoting Kickstart. This funding is held centrally by Birmingham City Council on behalf of the Regional Kickstart partnership.
- 8.4 Additional funding has also been identified by Supporting People to both pump prime the service and develop the Housing Liaison Officer posts over two years in addition to the First Stop pump priming funding to assist in establishing a signposting and advice service on housing options to older and vulnerable residents. The funding for First Stop and the SP funds will be paid directly to the new HIA in addition to the existing SP contribution of £187,381.
- 8.5 One BDC full time post will TUPE into the new HIA achieving a salary saving to this authority.

9.0 LEGAL IMPLICATIONS

- 9.1 As commissioning authority, Worcestershire County Council, Supporting People (SP) will require the Festival Group to sign a steady state contract which sets out the full terms and conditions of the arrangements.
- 9.2 Festival will also enter into a Service Level Agreement (SLA) with the six District Councils, the terms and conditions of which will be aligned with those in the SP contract and both would run concurrently.
- 9.3 The proposed start date for the service, subject to agreement being reached by all parties, is 1 April 2010. The contract will expire on 31 March 2013 unless one of the parties gives six months' notice of termination, or an extension to the contract is agreed.
- 9.4 Redditch BC and Festival are negotiating a formal agreement for the transfer of staff and service relating to the North Worcestershire Care & Repair Agency.

10. COUNCIL OBJECTIVES

- 10.1 CO1 - Regeneration – Housing
CO3 - Sense of Community and Wellbeing
CO4 – Environment – Climate Change

11. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

- 11.1 The Council will not be in a position to deliver the enhanced level of services to older and disabled people unless it works in partnership with all of the main partners across the County and benefits from the additional resources being made available to the HIA through Supporting People, Kickstart and the First Stop grant.
- 11.2 Failure to implement the Kickstart scheme will mean that the Worcestershire authorities will be unable to access ring fenced regional funding that is allocated to them. This funding will be critical if, at some stage in the future, other funding opportunities cease to be available to assist vulnerable home owners improve their homes.

12. CUSTOMER IMPLICATIONS

- 12.1 The implementation of a Worcestershire HIA aims to:
- Provide the ageing population with more services and provide greater choice and quality and independence.
 - Target scarce resources for those at higher risk and provide preventative services.
 - Strengthen local housing advice, information and 'moving home' services for older people.
 - Provide more rapid repairs and adaptations services and expanding the coverage of handyperson schemes.
 - Where housing services are needed they will be personal, progressive, high quality and joined-up. They will provide choice and will give individuals more control to make housing-related decisions.
 - Provide consistency in the application of services across the County.

13. EQUALITIES AND DIVERSITY IMPLICATIONS

- 13.1 An Equality Impact Assessment has been undertaken to cover the role of the Private Sector Housing team in relation to their work with the Home Improvement Agency and for the Housing Assistance Policy that determines eligibility under the current grant / loan regime

14. VALUE FOR MONEY IMPLICATIONS

- 14.1 Implementation of the new arrangements offers a saving to this authority of one full time post.
- 14.2 The outcomes achieved by the new HIA and the access to additional financial resources are anticipated to be greater than through existing arrangements.
- 14.3 The recommissioning of the HIA will provide an opportunity to enhance partnership working, to pool resources, attract additional funding streams and expand a range of services aimed at improving the independence of older and disabled residents.

15. CLIMATE CHANGE AND CARBON IMPLICATIONS

- 15.1 The work of Home Improvement Agencies is fundamental to reducing carbon emissions as affordable warmth and insulation issues are one of the major contributors to homes failing under Decent Homes Standards. The HIA will deliver works that directly address these issues and signpost clients to other services such as Warm Front for home energy advice, assistance and grant support.

16. OTHER IMPLICATIONS

Procurement Issues Addressed by Chief Executives Panel in September 2009.
Personnel One member of staff with TUPE rights to transfer to new HIA.
Governance/Performance Management The Council will have Member and officer representation on the new HIA Performance and Financial Management Board that will meet quarterly.
Community Safety including Section 17 of Crime and Disorder Act 1998 Part of HIA role is to carry out security and safety checks to customer's homes.
Policy Change to Housing Assistance Policy is recommended in this report.
Biodiversity N/A

17. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Joint Chief Executive	Yes
Executive Director - Partnerships and Projects	N/A
Executive Director - Services	N/A
Assistant Chief Executive	Yes
Head of Service	Yes
Head of Financial Services	Yes
Head of Legal, Equalities & Democratic Services	Yes
Head of Organisational Development & HR	N/A
Corporate Procurement Team	Yes

18. WARDS AFFECTED

'All Wards'

19. APPENDICES

Appendix 1 Revise Housing Assistance Policy

20. BACKGROUND PAPERS

Lifetime Homes - see

<http://www.communities.gov.uk/publications/housing/lifetimehomesneighbourhoods>

Previous Cabinet report 29th April 2009

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